



At the forefront of impact investing

Blended Finance



Blended finance is the strategic use of development finance and philanthropic funds to risk adjust the capital structure and thus mobilize private capital flows, resulting in positive results for both investors and communities.

Innpact is a leading impact finance specialist providing advisory and third-party fund management services. Our team has unrivalled expertise in designing and structuring impact funds and blended finance vehicles. We work with fund managers, sponsors and investors around the world on impact investing projects totalling more than USD 8 billion targeting the Sustainable Development Goals.

Our blended finance services



Strategic Approach

Identify how Blended Finance delivers on your Theory of Change and impact strategy

Integrate blended finance in your asset and liability structuring



Governance & Legal Structure

Design governance structure for different investors and align with the mission of the fund

Legal form and jurisdiction

Evergreen or limited duration vehicle



Capital Structure & Financial Model

Design capital structure for financing needs, investors and leverage

Design stress-tested blended financial model

Typical design of a blended finance fund



6 key lessons from structuring blended finance funds

1

Identify and engage as **early** as possible with your **anchor junior** investor

2

Involve **private investors** **gradually** after ramp up but also in the fund design

3

Keep capital and governance structures simple

4

Define Theory of Change, impact targets and reporting framework

5

Design incentive schemes focussed both on financial and impact objectives

6

Build on existing solutions

Innpact is a leading Impact Finance Fund specialist

Located in Luxembourg as a major center for sustainable finance, Innpact has built its reputation as a one-stop expert for impact finance. Innpact can draw on more than 150 advisory projects, having structured and established over 30 funds including 20 blended finance

vehicles and its dedicated client teams providing management services to operate impact funds. Innpact Fund Management is the only Luxembourg third-party AIFM dedicated to private equity and private debt impact investment funds.

30+



IMPACT FUNDS SUCCESSFULLY STRUCTURED

150+



IMPACT FINANCE PROJECTS

50+



EXPERTS

\$8bn



TOTAL IMPACT INVESTMENTS DESIGNED AND ADVISED



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